Sl. No.	Location of the Growth Centre	Date of approval	Central Assistance released as on 31.3.2004
5.	Jainpur (Distt. Kanpur Dehat)	23.03.93	420.00
6.	Satharia (Distt. Jaunpur)	17.02.93	767.00
7.	Shajanwa (Distt. Gorakhpur)	16.02.93	1000.00

Implementation of the Growth Centres by the State Government is monitored closely by the Centre on the basis of Quarterly Progress Reports received from the State Government and in Review Meetings held with the State Government from time to time. The Growth Centres scheme is under review by the Planning Commission and funds would be released for centres which are in advanced stage of implementation.

Industrialisation of backward States

173. PROF. M.M. AGARWAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state the details of the schemes and programmes formulated and being implemented and the incentives being given by Government for the rapid industrialisation of Uttar Pradesh, Bihar, Chhattisgarh, Orissa, Madhya Pradesh, Rajasthan and North Eastern Region?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): Promotion of industrial development in backward areas is primarily dependent on the initiatives of the State Government/Union territories. The Union Government supports the State's efforts through various incentive/development schemes such as the Growth Centre Scheme, Transport Subsidy Scheme, the Integrated Infrastructure Development Scheme. For the North Eastern States including Sikkim, special incentive packages had been notified. The details are as under:

Fiscal Incentives and Developmental schemes for All States including North Eastern region

Section 80-IC of the Income-Tax Act provides fiscal incentives to certain special category States including the North Eastern States. As per this provision a new industrial undertaking set up or after the 24th of

December 1997 but before 1.4.2007 or an existing undertaking which undertakes substantial expansion during this period and which is located in certain notified areas is eligible for 100% income-tax exemption for a period of 10 assessment years. A similar deduction is available for all new undertakings or existing undertakings which undertake substantial expansion and which are engaged in specified thrust sector activities.

Tax incentive are also available to industries set up or before 31.3.2004 in the backward districts of the country, including in the States of Uttar Pradesh, Bihar, Chhattisgarh, Orissa, Madhya Pradesh and Rajasthan. While industries in Category A backward districts are eligible for 100% deduction for 5 years followed by 25% (30% in the case of companies) for the next 5 years, industries in Category B backward districts are eligible for 100% deduction for 3 years followed by 25% (30% in the case of companies) for the next 5 years. The copy of Ministry of Finance's order regarding Category A and B backward districts is given in Statement-I (*See* below).

Growth Centre Scheme

With a view to promote industrialisation of the backward areas in the country, the Central Government in June, 1988 announced Growth Centre Scheme. Under this scheme 71 growth centres have been approved throughout the country which would be provided with basic infrastructure facilities like power, water, telecommunication, sewage, effluent disposal etc. to enable the States to attract industries. The growth centres approved by the Government of India are to be developed by the State Government with Central assistance of Rs. 10 crores per centre (Rs. 15 crores in the case of North Eastern Region including Sikkim and Special category States *viz.*:- Jammu and Kashmir, Uttaranchal and Himachal Pradesh).

Details of the Growth Centres sanctioned in the States of Uttar Pradesh, Bihar, Chhattisgarh, Orissa, Madhya Pradesh, Rajasthan and North Eastern region is enclosed in Statement-II. (*See* below).

Integrated Infrastructure Development Scheme

The scheme introduced in 1994, envisages to develop infrastructure facilities for small industries to facilitate location of industries in rural/ backward areas. The Central Government and Small Industries Development Bank of India contribute to each IID Centres Rs. 5 crore in the ratio of 2:3 and the cost in excess thereof and the cost of land is met by the concerned State Government.

For the North Eastern States, the funding pattern (sharing of funds) has been changed from 2:3 between Government of India and SIDBI/ Financial Institutions to 4:1.

Schemes for the North Eastern Region

(1) *Capital Investment Subsidy Scheme*

Under this Scheme a subsidy @15% of the investment in plant and machinery subject to maximum of Rs. 30 lakh would be admissible to eligible industries.

(2) *Central Interest Subsidy Scheme*

The Scheme provides subsidy on interest @3% on the working Capital loan for eligible industrial units.

(3) *Comprehensive Insurance Scheme*

This Scheme envisages insurance benefits of 100% premium to all eligible industrial units.

(4) *Transport Subsidy Scheme*

The Scheme was introduced in July, 1971 to promote industries in hilly, remote and inaccessible areas. Under the Scheme subsidy ranging from 50%-90% is admissible on transport costs incurred on movement of raw materials and finished goods from designated rail heads/ports up to the location of the industrial units and *vice-versa* for a period of five years from the date of commencement of commercial production. The scheme is valid up to 31.3.2007.

The Development Commissioner (Small Scale Industries), Ministry of Small Scale Industries is also implementing various Schemes/ Programmes for the benefits of SSI sector in addition to Integrated Infrastructure Development Scheme (IIDS) uniformly throughout the country. Some of them are as under:–

1. Tool Rooms provide training facilities in the field of tool design, dye making etc.

2. Central Footwear Training Institutes impart training on shoe design and related matters through CAD/CAM.

3. Process-cum product Development Centres at Meerut, Agra and Kanauj provides training and undertake product development.

4. Under Integrated Technology Upgradation and Management Programme, clusters of small-scale industries are taken up for technology upgradation and other overall development.

5. ISO-9000/14001 Certification Reimbursement Scheme provides reimbursement upto Rs. 75,000/- or 75% of the cost, whichever is more incurred by the units for obtaining requisite certification from the competent authority.

6. Regional Testing Centres and Field Testing Stations provide testing facilities for BIS Standard of products.

7. The Marketing Development Assistance Scheme has been launched to introduce appropriate packaging and bar coding of products.

8. Credit Guarantee Trust Fund has been set up to provide guarantee for collateral free credit facilities upto Rs. 25 lakhs.

9. Credit Linked Capital Subsidy Scheme provides 12% of capital subsidy (to a maximum of Rs. 4.8 lakhs) for upgradation of technology.

Statement-I

Notification showing category 'A' and 'B' Industrially Backward Districts.

GOVERNMENT OF INDIA

MINISTRY OF FINANCE

DEPARTMENT OF REVENUE

CENTRAL BOARD OF DIRECT TAXES

NEW DELHI, THE 7TH OCTOBER, 1997

NOTIFICATION

INCOME-TAX

S.O. 714(E)– In exercise of powers conferred by Section 80-IA of the Income Tax Act, 1961 (43 of 1961), as amended by Section 3 of the Income Tax (Amendment) Ordinance, 1997 (15 of 1997) and in supersession of the notification of Government of India, Ministry of Finance, Department of Revenue (Central Board of Direct Taxes) number 636(E), dated 3rd September, 1997, except as respects things done or omitted to be done before such supersession, the Central Government specifies the following districts as industrially backward districts of Category 'A' and Category 'B' under Sub-clause (c) of clause (iv) sub-section (2) of Section 80-IA read with rule 11EA of the Income-Tax Rules, 1962; namely:–

A. Category 'A' industrially backward districts

1.	Godda	Bihar
2.	Gumla	Bihar

3.	Araria	Bihar
4.	Gadchiroli	Maharashtra
5.	Madhepura	Bihar
6.	Sidharthanagar	Uttar Pradesh
7.	Dumka	Bihar
8.	Mandla	Madhya Pradesh
9.	Khagaria	Bihar
10.	Kishanganj	Bihar
11.	Malda	West Bengal
12.	Palamau	Bihar
13.	Phulbāni	Orissa
14.	Madhubani	Bihar
15.	Kalahandi	Orissa
16.	Jehanabad	Bihar
17.	Saharsa	Bihar
18.	West Dinajpur	West Bengal
19.	Nawadah	Bihar
20.	Bahraich	Uttar Pradesh
21.	Sitamarhi	Bihar
22.	Sahebganj	Bihar
23.	Murshidabad	West Bengal
24.	Cooch Behar	West Bengal
25.	Bankura	West Bengal
26.	Panna	Madhya Pradesh
27.	Pratapgarh	Uttar Pradesh
28.	Maharajganj	Uttar Pradesh
29.	Jalore	Rajasthan
30.	Aurangabad	Bihar
31.	East Champaran	Bihar

32.	Banda	Uttar Pradesh
33.	Barmer	Rajasthan
34.	Purnia	Bihar
35.	Bastar	Madhya Pradesh
36.	Siwan	Bihar
37.	Vaishali	Bihar
38.	Basti	Uttar Pradesh
39.	Sarguja	Madhya Pradesh
40.	Chamoli	Uttar Pradesh
41.	Jaisalmer	Rajasthan
42.	Lohardagga	Bihar
43.	Chhatarpur	Madhya Pradesh
44.	Uttarkashi	Uttar Pradesh
45.	Churu	Rajasthan
46.	Wayanad	Kerala
47.	Idukki	Kerala
48.	Jalpaiguri	West Bengal
49.	Almora	Uttar Pradesh
50.	Pithoragarh	Uttar Pradesh
51.	Tehri Garhwal	Uttar Pradesh
52.	The Dangs	Gujarat
53.	Banswara	Rajasthan

B. Category 'B' industrially backward districts:

1.	Srikakulam	Andhra Pradesh
2.	Mahbubnagar	Andhra Pradesh
3.	Katiyar	Bihar
4.	Bhagalpur	Bihar
5.	Gopalganj	Bihar

6.	Darbhanga	Bihar
7.	West Champaran	Bihar
8.	Saran	Bihar
9.	Bhojpur	Bihar
10.	Samastipur	Bihar
11.	Deoghar	Bihar
12.	Nalanda	Bihar
13.	Gaya	Bihar
14.	Muzaffarpur	Bihar
15.	Rohtas	Bihar
16.	Banaskantha	Gujarat
17.	Sabarkantha	Gujarat
18.	Bidar	Karnataka
19.	Seoni	Madhya Pradesh
20.	Tikamgarh	Madhya Pradesh
21.	Shivpuri	Madhya Pradesh
22.	Balaghat	Madhya Pradesh
23.	Jhabua	Madhya Pradesh
24.	Sidhi	Madhya Pradesh
25.	Vidisha	Madhya Pradesh
26.	Raigarh	Madhya Pradesh
27.	Morena	Madhya Pradesh
28.	Betul	Madhya Pradesh
29.	Rajgarh	Madhya Pradesh
30.	Rajnandgaon	Madhya Pradesh
31.	Sagar	Madhya Pradesh
32.	Beed	Maharashtra
33.	Bolangir	Orissa

34.	Mayurbhanj	Orissa
35.	Balasore	Orissa
36.	Ganjam	Orissa
37.	Dungarpur	Rajasthan
38.	Dholpur	Rajasthan
39.	Sawai Madhopur	Rajasthan
40.	Tonk	Rajasthan
41.	Nagaur	Rajasthan
42.	Jhalawar	Rajasthan
43.	Sikar	Rajasthan
44.	Hardoi	Uttar Pradesh
45.	Lalipur	Uttar Pradesh
46.	Hamirpur	Uttar Pradesh
47.	Badaun	Uttar Pradesh
48.	Fatehpur	Uttar Pradesh
49.	Azamgarh	Uttar Pradesh
50.	Etah	Uttar Pradesh
51.	Barabanki	Uttar Pradesh
52.	Etawah	Uttar Pradesh
53.	Deoria	Uttar Pradesh
54.	Ghazipur	Uttar Pradesh
55.	Ballia	Uttar Pradesh
56.	Jaunpur	Uttar Pradesh
57.	Sitapur	Uttar Pradesh
58.	Jalaun	Uttar Pradesh
59.	Unnao	Uttar Pradesh
60.	Faizabad	Uttar Pradesh
61.	Kanpur Dehat	Uttar Pradesh

62.	Mainpuri	Uttar Pradesh
63.	Gonda	Uttar Pradesh
64.	Farukhabad	Uttar Pradesh
65.	Sultanpur	Uttar Pradesh
66.	Mirzapur	Uttar Pradesh
67.	Mau	Uttar Pradesh
68.	Purlia	West Bengal
69.	Birbhum	West Bengal
70.	Midnapore	West Bengal

Explanation: For the purpose of this notification, the districts correspond to the districts mentioned in the Report of the Study Group on identification of Backward Districts dated 4th October, 1994 and are based on districts as they stood in the Census Report of 1991. Where a district specified as an industrially backward district for the purpose of Section 80-IA is reorganised, either by split or otherwise, after the Census Report of 1991, all the areas comprised in the district as it existed in the Census Report of 1991 will qualify for the purpose of this rule.

2. This notification shall be deemed to have come into force with effect from the Ist day of October, 1994.

Explanatory Memorandum

The Central Government had set up a Study Group to identify industrially backward districts for the purposes of Section 80-IA of the Income Tax Act, 1961. The Group submitted its Report to the Central Government in the month of October, 1994. The Central Government constituted another Study Group to review the said Report. On the basis of the reports of both the Study Groups, the Central Government decided that the industrially backward districts should be classified into two categories *i.e.*, Category 'A' and Category 'B' Section 80-IA was amended by the Income Tax (Amendment) Ordinance, 1997 (15 of 1997) so as to classify the industrially backward districts of Category 'A' and industrially backward districts of Category 'B'. The said Ordinance has come into force on the 16th September, 1997. Rule 11EA of the Income Tax Rules, 1962 has also been amended retrospectively with effect from 1.10.1994 so as to give effect to the amendment made in Section 80-IA of the Income

Tax Act by the said Ordinance. It is certified that the retrospective operation of this amendment shall not prejudicially effect the interest of assessees.

Sd/–

(DR. DHEERAJ BHATNAGAR)

UNDER SECRETARY TO THE GOVERNMENT OF INDIA

F.No. 142/20/94-TPL(Pt. III)
Notification No. 10441.

Statement-II

Growth Centres in various States

Sl. No.	Name of State, Growth Centre/District	Date of approval	Approved Project cost	Amount of Central Release
(1)	(2)	(3)	(4)	(5)
	Bihar			
1.	Begusarai (Begusarai)	03.05.95	2475.00	500.00
2.	Bhagalpur (Bhagalpur)	30.9.96	3755.00	50.00
3.	Chhapra (Chhapra)	30.9.96	3511.00	50.00
4.	Darbhanga (Darbhanga)	13.2.98	4113.00	50.00
5.	Muzaffarpur (Muzaffarpur)	30.09.96	3311.00	50.00
	Chhattisgarh			
6.	Borai (Durg)	27.03.91	3633.00	1000.00
7.	Siltara (Raipur)	11.03.92	3437.00	1000.00
	Madhya Pradesh			
8.	Chainpura (Guna)	27.03.91	3609.00	250.00
9.	Ghirongi (Bhind)	27.03.91	3481.00	1000.00
10.	Kheda (Dhar)	27.03.91	3550.00	1000.00
11.	Satlapur (Raisen)	23.03.93	3000.00	1000.00

(1)	(2)	(3)	(4)	(5)
	Orissa			
12	Chhatrapur (Ganjam)	12.02.97	4231.40	50.00
13.	Kalinganagar-Duburi (Cuttack)	12.02.97	4127.00	1000.00
14.	Jharsuguda (Jharsuguda)	12.02.98	3990.90	268.00
15.	Kesinga (Kalahandi)	09.02.99	3287.33	125.00
	Rajasthan			
16.	Abu-Road (Sirohi)	31.03.92	3000.00	1000.00
17.	Bhilwara (Bhilwara)	18.12.97	3407.00	300.00
18.	Khara (Bikaner)	31.03.92	2750.00	620.00
19.	Dholpur (Dholpur)	23.03.93	3000.00	1000.00
20.	Jhalawar (Jhalawar)	23.07.92	3000.00	300.00
	Uttar Pradesh			
21.	Bijauli (Jhansi)	23.03.93	1885.00	593.00
22.	Jamaur (Shahjahanpur)	17.02.93	1622.00	315.00
23.	Pakbara (Moradabad)	17.02.93	3429.00	1000.00
24.	Dibiapur (Auraiya)	03.03.98	1950.00	150.00
25.	Jainpur (Kanpur Dehat)	23.03.93	1899.00	420.00
26.	Satharia (Jaunpur)	17.02.93	4427.00	767.00
27.	Shajanwa (Gorakhpur)	16.02.93	3491.00	1000.00
Growth Centres in North Eastern Region				
	Arunachal Pradesh			
28.	Niklok-Ngorlung (East Siang)	08.04.97	2020.00	668.00
	Assam			
29.	Matia (Goalpara)	31.10.97	2244.00	700.00
30.	Chariduar (Sonitpur)	08.04.97	2543.40	816.00
31.	Chaygaon-Patgaon (Kamrup)	09.12.03	–	500
	Manipur			
32	Lamlai–Napet (Imphal)	02.03.98	3000.00	150.00

(1)	(2)	(3)	(4)	(5)
	Meghalaya			
33.	Mendhipattar (East Garo Hills)	24.10.97	1800.00	550.00
	Mizoram			
34.	Luangmual (Aizawl)	24.10.97	1525.46	880.00
	Nagaland			
35.	Ganeshnagar (Kohima)	12.02.98	1700.00	1500.00
	Tripura			
36.	Bodhjangnagar (West Tripura)	07.11.97	1500.00	1500.00
	Sikkim			
37	Salghari–Samlik Marchak	7.11.03	3175.88	500.00

Indo-Thailand free trade agreement

174. SHRIMATI N.P. DURGA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that India and Thailand have signed a free trade agreement to eliminate all tariffs on trade by 2010;

(b) if so, the details thereof;

(c) whether it is a also a fact that as a part of this agreement, India-Myanmar-Thailand have conceived a trilateral highway project;

(d) if so, whether the technical study on the project has been completed;

(e) if so, the details thereof; and

(f) if not, the reasons for delay in completion of the study?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) India and Thailand have signed a Framework Agreement for Establishing Free Trade Area on 9th October, 2003 in Bangkok, Thailand. The Framework Agreement provides for negotiations for tariff reductions/eliminations in order to establish India-Thailand Free Trade Area (FTA) covering trade in goods by 2010.

(b) The key elements of the Framework Agreement cover FTA in Goods, Services and Investment, and Areas of Economic Cooperation.